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COLLEGE OF COMMERCE AND ADMINISTRATION
THE OHIO STATE UNIVERSITY

LOCATION, CIRCULATION, AND RATES
OF
OHIO DAILY NEWSPAPERS

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PREFACE

At the suggestion of the School of Journalism of Ohio State University, and others interested in the publishing field, this Bureau undertook a study of the business problems of the smaller daily newspapers of Ohio. The results of this study are being issued in two reports. This study, which is the first of these two, deals with the general statistics in regard to the number of these papers, their location, circulation, and advertising rates. The second, which will be issued at an early date, will deal more exclusively with operating costs and incomes and with the business procedure of these papers.

The Bureau wishes to express its appreciation of the assistance of the newspapers which cooperated in making this study possible.

Spurgeon Bell, Director

June 14, 1927

TABLE OF CONTENTS

	<u>Page</u>
Number and Location of Daily Newspapers -----	2
Proportions of City and Rural Circulation -----	6
Relation of Advertising Rates to Location and Circulation ----	13

LOCATION, CIRCULATION, AND RATES
OF OHIO DAILY NEWSPAPERS

At the suggestion of several individuals interested in the publishing field, the Bureau of Business Research of the Ohio State University recently undertook a study of the operations of Ohio daily newspapers. As a result of that study there will shortly be available figures indicating the normal distribution of revenues and expenses in the typical Ohio daily newspaper, together with certain unit costs of operation which should be of interest to publishers throughout the state. As a preliminary to a report on that study, the Bureau has found it desirable to present a brief analysis of the field itself, - the number and location of the newspapers in the state, their circulation, the rates charged for their advertising space, and certain standards and averages to be derived from these figures. With an analysis of this type available it should be possible to study more intelligently the operating statistics later presented, and to determine the place in the field occupied by any paper or papers represented in that study.

This preliminary report, then, concerns itself primarily with the following factors: (a) number and location of daily newspapers published in Ohio, (b) population of cities and counties in which papers are located, (c) circulation obtained by the papers, (d) advertising rates in effect. Information on these points has been taken largely from the United

States Census of 1920, the Standard Rate and Data Service of February, 1926, and from the individual reports of certain publishers who furnished an estimated distribution of their circulation as between city and country territory when that distribution did not appear in the published reports. In general the situation presented may be said to be that existing at the end of the year 1925, so far as newspaper location and circulation are concerned; the population figures are those of the year 1920.

The Bureau experienced the difficulty commonly confronted in this type of analysis when an attempt was made to reduce the data from a large number of different publishing concerns to a comparable basis. Units of measurement and bases of estimation have probably not been identical in the case of all the papers included in the tabulation; it has, in fact, been impossible to secure even an estimate from a few of the papers with regard to the distribution of their circulation. In the main, however, the figures are believed to present a reasonably accurate picture of the situation under review.

NUMBER AND LOCATION OF DAILY NEWSPAPERS

At the end of 1925 there were being published in Ohio 123 daily newspapers. The distribution of these papers according to the size of the community in which they were located is indicated in Table I. (The population groups have been selected with a view to combining those communities of similar characteristics.)

States Census of 1930, the Standard Rate and Late Service of February, 1930, and from the individual reports of certain publishers who furnished an estimated distribution of their circulation as between city and country territory when that distribution did not appear in the published reports. In some cases the situation presented may be said to be that existing at the end of the year 1925, so far as newspaper location and circulation are concerned; the population figures are those of the year 1920.

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TABLE I
DISTRIBUTION OF OHIO DAILY NEWSPAPERS BY GROUPS
ACCORDING TO POPULATION OF CITY

<u>Population of City</u>	<u>Number of Cities Hav- ing Daily Newspapers</u>	<u>Number of Pap- ers Published</u>
Less than 4,000	3	4
4,000 to 7,500	24	26
7,500 to 15,000	22	29
15,000 to 30,000	15	21
30,000 to 60,000	11	18
More than 60,000	9	25
	--	---
Total	84	123
	==	===

It is evident that no one class of community has a monopoly on the daily newspaper. The large cities have a larger number of papers per community but there are more communities of smaller and medium size having papers. Taking all of the communities together it appears that at the end of 1925 there were 53 cities with a single newspaper, 25 with two newspapers each, 4 with three newspapers each, and 2 with four newspapers each. The number of cities of various sizes having one or more than one newspaper is indicated in Table II.

TABLE II
DISTRIBUTION OF OHIO CITIES BY POPULATION GROUPS ACCORD-
ING TO NUMBER OF DAILY NEWSPAPERS PUBLISHED

<u>Population of City</u>	<u>One Paper</u>	<u>Two Papers</u>	<u>Three Papers</u>	<u>Four Papers</u>	<u>Total</u>
Less than 4,000	2	1	-	-	3
4,000 to 7,500	22	2	-	-	24
7,500 to 15,000	15	7	-	-	22
15,000 to 30,000	9	6	-	-	15
30,000 to 60,000	5	5	1	-	11
More than 60,000	-	4	3	2	9
	--	--	--	--	--
Total Cities	53	25	4	2	84
	==	==	==	==	==
Total Papers	53	50	12	8	123
	==	==	==	==	===

It is the general view among newspaper men that the smaller cities can be better served by one newspaper than by two or more. In spite of that fact there are found in Ohio 16 communities of less than 30,000 population in which two daily newspapers are being published. In a few of these instances the two papers are under the same management and actually represent little more than a morning and evening edition of the same paper. In most cases, however, the two papers are independent and in competition for the same market both as to advertising and circulation.

Daily newspapers depend for their existence on urban communities, or on rural territory of which their community is the trading center. The trading center in most rural counties is the county seat. It may reasonably be expected that each county seat of any considerable size will have its daily newspaper, and that cities other than county seats will have papers provided they are of sufficient size and importance. In Table III the cities of the state are classified according to these criteria, and the distribution of the papers over such cities is noted. Included in this table are all county seats, regardless of size, and all non-county-seat towns of over 4,000 in population.

TABLE III

DISTRIBUTION OF OHIO CITIES BY KINDS AND POPULATION GROUPS
ACCORDING TO NUMBER OF DAILY NEWSPAPERS PUBLISHED

<u>Population of City</u>		<u>No Paper</u>	<u>One Paper</u>	<u>Two or More Papers</u>	<u>Total Cities</u>	<u>Total Papers</u>
Under 4,000	(County Seat	23	2	1	26	4
4,000- 7,500	(County Seat	6	11	2	19	15
	(Other	18	11	-	29	11
7,500-15,000	(County Seat	-	12	6	18	24
	(Other	3	3	1	7	5
15,000-30,000	(County Seat	-	1	6	7	13
	(Other	4	8	-	12	8
30,000-60,000	(County Seat	-	5	4	9	14
	(Other	2	-	2	4	4
Over 60,000	(County Seat	-	-	9	9	25
		--	--	--	--	--
Total County Seats		29	31	28	88	95
Total Other Centers		27	22	3	52	28
		--	--	--	--	--

It will be observed from the above tabulation that 29 of the 88 county seats in Ohio have no daily newspapers. In 23 of these 29 cases the county seat is a community of less than 4,000 population and in most instances the entire county is rather sparsely populated. In two of the 23 counties there is a daily paper published in the county in some community other than the county seat. This is also true in one of the six counties in which the county seat has a population of between 4,000 and 7,500 but has no daily paper. There remain, however, 26 counties in the state without a daily paper; five of these have county seats which would appear, on the surface at least, to be large enough to support such an

undertaking. Weekly papers are, of course, published in most of the counties in question.

It is interesting to note the distribution of daily papers among the communities other than county seats. There are 25 non-county-seat cities in the state which have daily newspapers, and 3 of them have two papers each. It will be noted, moreover, that 11 of the 25 are communities of less than 7,500 population. It would seem that if such communities are suitable locations for daily papers a county seat town of even smaller population might be a satisfactory place for daily publishing operations.

PROPORTIONS OF CITY AND RURAL CIRCULATION

The next subject given attention in this study is the distribution of daily newspaper circulation between the city in which the paper is located and the rural community surrounding it. In this and succeeding sections of the study the very large metropolitan centers were excluded, and only papers in cities of less than 60,000 population were considered.

Publishers reported all the way from 21 per cent to 87 per cent of their circulation as being in city territory. The average proportion of city circulation is approximately 58 per cent, but there are wide variations among the papers in this respect, as indicated by the grouping in Table IV.

TABLE IV

DISTRIBUTION OF OHIO DAILY NEWSPAPERS* BY GROUPS ACCORDING TO PERCENTAGE OF CIRCULATION WITHIN CITY OF PUBLICATION

<u>Percentage of City Circulation to Total Circulation</u>	<u>Number of Papers</u>
Less than 40%	14
40% to 50%	18
50% to 60%	22
60% to 70%	17
70% to 80%	16
More than 80%	11
	--
Total	98
	==

*Papers in cities of over 60,000 excluded, data for nine papers estimates

It might be supposed that the percentage which city circulation is of the total circulation of a newspaper would tend to vary somewhat with the size of the community in which the paper is located. In the case of the cities of less than 60,000 population there is no indication that the size of the community has anything in particular to do with this distribution. In Table V are given the lowest, the highest, and the average percentages of city circulation for the newspapers in each population group. There is no observable trend in one direction or another.

TABLE V

PERCENTAGES OF CITY CIRCULATION TO TOTAL CIRCULATION BY GROUPS ACCORDING TO POPULATION OF CITY OF PUBLICATION

<u>Population of City</u>	<u>High Per Cent</u>	<u>Average Per Cent</u>	<u>Low Per Cent</u>
Less than 4,000	71.4	50.9	30.0
4,000 to 7,500	86.6	61.7	21.2
7,500 to 15,000	82.6	54.9	34.7
15,000 to 30,000	85.1	56.1	37.8
30,000 to 60,000	83.8	60.7	33.1
	----	----	----
All cities	-	57.8	-
	----	----	----

The analysis of the distribution of circulation as between city and rural territory was followed by a further comparison made to determine the circulation of each paper in proportion to the size of its community. City circulation was compared with city population, and rural circulation was compared with the population of the county of publication, exclusive of the population residing in cities where a newspaper is published. This latter measure is a very arbitrary one and in many cases doubtless has no particular meaning. For a majority of the papers, however, it does indicate to some extent how thoroughly the rural community is being covered.

The variations in the amount of city circulation per 100 of city population are not quite so great as in the case of the proportion of city circulation to total circulation. The lowest record found was that of a paper whose city circulation was only 6.1 per 100 of city population. The two highest records found were between 55 and 60 papers per 100 of city population, but the estimates in these cases so obviously involve an error in distribution between city and rural circulation that they have been disregarded for purposes of presentation in the tables. The third highest paper in the list shows a city circulation of 45.9 per 100 of city population, but in that instance the figures included both a morning and evening edition under different names with the probability of considerable duplication in sale.

In Table VI the papers reporting are shown in groups according to the relation of city circulation to city population.

The common experience in this respect is well marked, but the significant factor is the extent to which certain papers have been able to get better than average results through an intensive cultivation of their field. It is evident that papers with a city circulation of more than 30 per 100 of city population are making an exceptional record.

TABLE VI

DISTRIBUTION OF OHIO DAILY NEWSPAPERS* BY GROUPS ACCORD-
ING TO CITY CIRCULATION PER 100 OF CITY POPULATION

<u>Circulation per 100 Population</u>	<u>Number of Papers</u>
Less than 10	5
10 to 20	28
20 to 30	54
30 to 40	7
More than 40	4
Total	<u>98</u>

*Papers in cities of over 60,000 excluded; data for nine papers estimates.

The average of city circulation per 100 of city population is in the neighborhood of 22, or about one paper to every $4\frac{1}{2}$ inhabitants. There is a tendency for the figures to run somewhat higher in the smaller towns, indicating in part that in these communities the local paper has a strong hold and in part that in the larger cities there is greater competition for readers. This is shown in Table VII, in which the high, low, and average city circulation per 100 of city population is given for each of the population groups into which the cities have been divided.

TABLE VII

PERCENTAGES OF CITY CIRCULATION TO CITY POPULATION BY GROUPS
ACCORDING TO POPULATION OF CITY OF PUBLICATION

<u>Population of City</u>	<u>High</u>	<u>Average</u>	<u>Low</u>
Less than 4,000	32.1	27.4	23.0
4,000 to 7,500	40.7	26.2	12.4
7,500 to 15,000	30.1	22.6	6.3
15,000 to 30,000	30.4	19.2	6.1
30,000 to 60,000	45.9	19.2	6.7
	----	----	----
All cities	-	22.4	-
	====	====	====

When the communities are divided into groups according to the character of the competition it is found that where another paper is published in the same town the average city circulation per 100 of city population is 17.4, but that where there is no other paper in the same county (and the county is not adjacent to one of the larger centers of population) the average of the city circulation is 25.6 per 100 of city population. Papers in counties adjacent to the large centers do not fare badly as far as their own city circulation is concerned, (the average for all papers in such communities being 22.9 city circulation per 100 of city population): the circulation in their county outside of their own city is, however, very considerably cut down by the competition from the large dailies. The percentages in groups according to the character of competition are shown in Table VIII.

TABLE VIII

NUMBER OF PAPERS AND CIRCULATION PER 100 OF POPU-
LATION ACCORDING TO COMPETITIVE POSITION

<u>Location with Respect to Competition</u>	<u>Number of Papers*</u>	<u>Circulation per 100</u>		
		<u>High</u>	<u>Average</u>	<u>Low</u>
Other paper or papers in same city	45	27.4	17.4	6.3
Nearest competing paper in other city of same county	30	40.7	27.6	10.8
No other paper in same county and not adjac- ent to metropolitan areas	23	45.9	25.6	12.4
Adjacent to county con- taining city of over 60,000	37	34.2	22.9	9.9

*Classifications overlap, some papers being included in more than one group. Papers in cities of over 60,000 are excluded.

As was previously noted, the difficulties of comparing rural circulation with rural population render of doubtful value any averages drawn from these figures. There is a wide variation among the papers in the percentage of their rural circulation to rural population which is at least nominally associated with the town in which the paper is published. Several papers, for example, show rural circulation of less than one paper per 100 of rural population, while one outstanding publisher has, on the other hand, a rural circulation equivalent to 58.7 per 100 of the rural population in his county. In this and several other cases, however, the situation of the publisher is such that his paper circulates freely in several adjacent counties where there is no local competition, and this has contributed to his high percentage.

The large cities make generally better records in respect to rural circulation than the smaller ones. The average for all papers in cities of between 30,000 and 60,000 is a rural circulation of 21.4 per 100 of rural population in their counties. In the smaller communities the averages decrease rapidly. Table IX presents a grouping of the papers according to the percentage of their rural circulation to the rural population, while Table X gives the high, low, and average experience in each population group.

TABLE IX

DISTRIBUTION OF OHIO DAILY NEWSPAPERS* BY GROUPS ACCORDING TO RURAL CIRCULATION PER 100 OF RURAL POPULATION IN COUNTY

<u>Circulation per 100 of Population</u>	<u>Number of Papers</u>
Less than 5	25
5 to 10	31
10 to 15	23
15 to 20	7
20 to 25	5
More than 25	7
	--
Total	98
	--
	--

*Papers in cities of over 60,000 excluded

TABLE X

PERCENTAGES OF RURAL CIRCULATION TO RURAL POPULATION BY GROUPS ACCORDING TO POPULATION OF CITY OF PUBLICATION

<u>Population of City</u>	<u>High</u>	<u>Average</u>	<u>Low</u>
Less than 4,000	12.6	6.3	0.9
4,000 to 7,500	17.2	5.1	0.7
7,500 to 15,000	22.4	9.9	2.1
15,000 to 30,000	39.9	11.1	0.7
30,000 to 60,000	58.7	21.4	4.1
	----	----	----
All Cities	-	10.8	-
	====	====	====

The difficulty of interpreting the figures in the case of overlapping territories has been referred to in the preceding paragraphs. Because of this and other factors no attempt has been made to compare total circulations with total population. Figures derived from such an analysis would probably prove meaningless.

RELATION OF ADVERTISING RATES TO LOCATION AND CIRCULATION

It may reasonably be expected that the rates charged by a newspaper for its advertising space will bear some relation to the extent of its circulation and the size of the community in which it is published. To check the correctness of this assumption, an analysis has been made of the advertising rates of the daily papers in the state (again excluding cities of over 60,000) and those rates have been compared with the circulation of the papers obtaining them. The results of the analysis are presented in the following paragraphs.

Newspaper advertising rates vary, of course, with the class of advertising and with the amount of space used by the individual advertiser. The basis for the present analysis is in every case the minimum rate per inch offered for local display advertising. Where a newspaper quotes one rate only this has been assumed to be the minimum rate. It seems probable that some papers have reduced rates not published on their regular rate cards, but without a knowledge of what these are it has not been possible to take them into consideration.

The "column inch" has been used as a basis for these calculations, rather than the "agate line" customarily used by

larger dailies, because of the fact that the papers in the small cities make their calculations chiefly in inches. The inch rates themselves do not have any great amount of significance, as they are naturally low for the papers of small circulation and high for those of large circulation. Table XI gives briefly the high, low, and average inch rate effective in the daily papers in the cities of the various population groups. There are, as may be observed, wide variations within each group. Table XII shows the more significant figures for the papers in various circulation groups. In the case of this latter analysis the variations within the groups are less pronounced, but are still great enough in some instances to be rather surprising.

TABLE XI

MINIMUM DISPLAY ADVERTISING RATES PER INCH IN CITIES
BY GROUPS ACCORDING TO POPULATION

<u>Population of City</u>	<u>High</u>	<u>Average</u>	<u>Low</u>
Less than 4,000	.25	.21	.15
4,000 to 7,500	.56	.25	.12
7,500 to 15,000	.56	.30	.15
15,000 to 30,000	.63	.40	.15
30,000 to 60,000	1.12	.61	.35
	---	---	---
All cities	-	.35	-
	----	---	---

TABLE XII

MINIMUM DISPLAY ADVERTISING RATES PER INCH IN NEWSPAPERS
BY GROUPS ACCORDING TO CIRCULATION

<u>Circulation of Paper</u>	<u>High</u>	<u>Average</u>	<u>Low</u>
Less than 2,000	.28	.20	.12
2,000 to 4,000	.35	.24	.15
4,000 to 6,000	.56	.33	.21
6,000 to 8,000	.42	.39	.35
8,000 to 10,000	.70	.51	.35
10,000 to 12,000	.70	.58	.49
More than 12,000	1.12	.85	.63

A study of rates themselves is less informative than a comparison of rates with circulation. Comparative figures are stated in "rate per inch per 1,000 of circulation" - the function of this measurement unit being the same as that of the "milline rate" familiarly used by the larger dailies. Something approaching a uniform rate per inch per 1000 of circulation might be expected to appear in such a comparison. This relationship, however, is influenced by several factors which are not always evident to the casual observer. Certain papers, for instance, have greater drawing power than others, even for the same amount of circulation. Certain papers are known to obtain circulation in territories outside of their own trading radius and their local advertising must accordingly be sold without reference to that particular circulation. Inactivity of a publisher or hostility of a business community to changes in long established custom may result in perpetuating rates which are far too low in proportion to the circulation of the paper. This is apparent from the tabulations which follow.

The lowest rate found in any Ohio daily newspaper in a city of less than 60,000 is approximately 3 cents per inch per 1,000 of circulation. Three papers show a rate of around 4 cents, with a considerable number in the groups from 5 cents up. The highest effective rate noted is 19 cents and only 9 papers have a rate of over 12 cents. The number of papers with rates in each group is indicated in Table XIII.

TABLE XIII

DISTRIBUTION OF OHIO DAILY NEWSPAPERS* BY GROUPS ACCORDING
TO ADVERTISING RATE PER INCH PER 1000 OF CIRCULATION

<u>Rate per Inch per</u> <u>1000 of Circulation</u>	<u>Number</u> <u>of Papers</u>
Less than 4.5 cents	4
4.5 to 5.5 cents	15
5.5 to 6.5 cents	18
6.5 to 7.5 cents	20
7.5 to 8.5 cents	11
8.5 to 9.5 cents	12
9.5 to 10.5 cents	5
10.5 to 11.5 cents	4
More than 11.5 cents	9
Total	98
	==

*Cities of over 60,000 excluded

One other tendency evident in the effective rates of the newspapers is a trend in the direction of lower rates per inch per 1,000 of circulation in the larger cities. The low, high, and average rate in the cities of each of the population groups established is given in Table XIV.

TABLE XIV

ADVERTISING RATES PER INCH PER THOUSAND OF CIRCULATION
BY GROUPS ACCORDING TO POPULATION OF CITY

<u>Population</u> <u>of City</u>	<u>High</u>	<u>Average</u>	<u>Low</u>
Less than 4,000	.19	.11	.07
4,000 to 7,500	.15	.10	.06
7,500 to 15,000	.13	.07	.05
15,000 to 30,000	.13	.07	.05
30,000 to 60,000	.09	.06	.03
All cities	---	---	---
	-	.08	-
	---	---	---

The material in the tables and comments presented above should give some idea of the characteristics of the Ohio daily newspaper field, and particularly of the papers falling into certain classifications of population, circulation, and rates. An analysis of the operating results of various classes of papers will be the more illuminating with this preliminary data as a background.

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